



CHARLES SMITH
EXECUTIVE COMMISSIONER

Date: January 23, 2018 **MEPD and Texas Works Bulletin 18-1**

To: Eligibility Services – Regional Directors
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

From: Regina Carter, Director
Policy Strategy, Analysis, and Development
State Office 2115

Subject: 1. **Relative and Other Designated Caregiver Program Payments**
2. **TIERS Updates - Counting Social Security Benefits for MAGI**

Bulletins are sent to supervisors and other regional managers. Supervisors must share this information with all eligibility staff. Please ensure that copies are provided to staff that do not have access to e-mail. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- Texas Works Handbook (TWH) at <http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins>;
- Medicaid for the Elderly and People with Disabilities (MEPD) Handbook at <http://hhs.texas.gov/laws-regulations/handbooks/medicaid-elderly-and-people-disabilities-handbook/mepd-policy-bulletins>.

1. Relative and Other Designated Caregiver Program Payments

Background

In order to provide ongoing support to eligible kinship caregivers of children in the conservatorship of the Texas Department of Family and Protective Services (DFPS), the 85th Texas Legislature, Regular Session, 2017, passed House Bill 4 (HB 4), which:

- Expanded the reimbursement payments to both relatives and other designated, non-related caregivers, collectively known as kinship caregivers.
- Modified the reimbursement payments provided by DFPS to certain relative or other designated caregivers.

- Modified the frequency that DFPS issues reimbursement payments to kinship caregivers.

Current Policy

DFPS Relative Caregiver Reimbursement Program Payments are paid to eligible relative caregivers who are responsible for a child who is under DFPS conservatorship.

The DFPS Relative Caregiver Reimbursement Program issues two types of payments:

- one-time integration payments which are provided upon the placement of the child; and
- flexible support payments which are provided annually.

Income

All Programs

DFPS Relative Caregiver Reimbursement Program payments are exempt from income as stated in the following policy:

- TWH, [A-1324.21](#), DFPS Relative Caregiver Reimbursement Program Payments; and
- MEPD, [E-1720](#), Social Services That Are Not Income.

Resources

Texas Works (TW) - TANF, SNAP, Medically Needy Spenddown for Children (TP32 and TP56 Emergency)

The remaining balance of the one-time integration payment, or the flexible support payment, is considered as a resource in the month(s) after it is received (TWH, [A-1232.13](#), DFPS Relative Caregiver Reimbursement Program Payments).

MEPD

A person receives a cash reimbursement of medical, or social services expenses, that the person has already paid, such as a DFPS Relative Caregiver Reimbursement payment, the cash received for the medical or social services is:

- not considered income; and
- not a resource for the calendar month following the month of receipt, if the unspent money is identifiable from other resources.

If the money is not identifiable from other resources following the month received, it will be counted with other available resources in that month. The remainder of the cash reimbursement retained until 12:01 a.m. on the first of the second calendar month following its receipt, is a resource at that time (MEPD, [F-2110](#), Cash Reimbursement of Medical or Social Services Expenses).

New Policy

DFPS Relative Caregiver Reimbursement program payment is now referred to as Relative and Other Designated Caregiver (RODC) program payments and are issued to the kinship caregivers.

The RODC program issues two types of payments:

- Kinship reimbursement payments are provided monthly for a time-limited period once a home assessment has been approved and the child placed in the home.
- Post-permanent managing conservatorship annual reimbursement payments are available:
 - annually for three years to kinship caregivers who obtained permanent managing conservatorship (permanent custody) of a child, or until the child turns 18, whichever comes first; and
 - on the anniversary that the caregiver obtained permanent custody of the child.

Income

All Programs

RODC program payments remain exempt from income when determining eligibility for all programs.

Resources

TW - TANF, SNAP, Medically Needy Spenddown for Children (TP32 and TP56 Emergency)

The remaining balance of RODC program payments continue to be considered as a resource in the month(s) after receipt.

MEPD

Staff must continue to follow current policy in MEPD, [F-2110](#) for RODC program payments.

Automation

This change does not require automation changes to the Texas Integrated Eligibility Redesign System (TIERS).

Effective Date

The policy is effective February 1, 2018.

Handbook

MEPD Handbook updates are scheduled for June 2018.

TWH updates are scheduled for July 2018.

Training

Training is not required.

2. TIERS Updates - Counting Social Security Benefits for MAGI

Background

The Centers for Medicare and Medicaid Services (CMS) released guidance on how states must count Social Security Benefits (SSBs) when determining whether an individual, who meets a Modified Adjusted Gross Income (MAGI) program exception, is expected to be required to file a federal income tax return. SSBs include Retirement, Survivors, and Disability Insurance (RSDI) and Railroad Retirement benefits.

Current Policy and Process

Texas Works Bulletin 17-15 and MEPD Bulletin 17-10, released on October 3, 2017, and Texas Works Bulletin 17-16 and MEPD Bulletin 17-11, released on December 11, 2017 instructed staff to submit a Policy Clearance Request (PCR) for cases in which a child or tax dependent receiving SSBs or another household member (such as a parent, taxpayer, or sibling) is denied *solely due to excess income*.

Policy staff perform manual calculations to determine whether any of the SSBs are countable and provide instructions to the requestor on how to complete the case in the Texas Integrated Eligibility Redesign System (TIERS).

New Policy and Process

Staff is **no** longer required to submit a PCR requesting policy staff perform manual calculations to determine whether any of the SSBs are countable. TIERS now uses IRS rules to calculate the countable amount of SSBs received by a:

- child under age 19 included in the MAGI household composition of a parent or whose MAGI household composition includes a parent; or
- tax dependent claimed by a non-parent taxpayer who is applying for medical assistance.

Staff must enter the total amount of the individual's SSBs in TIERS so that TIERS can correctly budget the income for non-MAGI programs and calculate the countable amount for MAGI programs.

TIERS details the calculation of the countable SSBs on the **Individual SSB Sub-Budget Results** page. Staff access this page via hyperlinks on the **MAGI Federal Poverty Income Limit Test** page and the **SSB Individuals** page.

Summary	Notice Reasons	Resource	MAGI/FPIL Test	SSB Individuals	Reasonable Compatibility	Change Password	Logout
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MAGI / Federal Poverty Income Limit Test ?

Case Name: Test, Uncle	Case #: 1902289150	Case Mode: Change Action	Case Status: Approved
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EDG Name: Test, Uncle	EDG #: 919808863	TOA: MA - Children 1-5
Benefit Period: 07/01/2018-	Eligibility Status: Pending	Authorization Status:
Special Review Date:	Certification Period: 10/01/2017-09/30/2018	Review Due Date: 09/30/2018
Special Review Reason:		

Reasonable Compatibility Test Result: [NEED INFORMATION](#)

MAGI Earned Income		MAGI Test:	
Gross Earned Income:	\$ 0.00	Total Income:	\$ 12732.00
Gross Self Employment Income:	+ 525.00	Total Deductions:	- 11000.00
Total Earned Income:	= \$ 525.00	Monthly gross income amount:	= \$ 1732.00
MAGI Unearned Income		5% Disregard:	- 85.10
SSB Income		Net Income:	= \$ 1646.90
RSDI Income:	\$ 4200.00	Income Limit:	= \$ 2451.00
Railroad Retirement Income:	+ 7882.00	Family Size:	3
Total SSB Amount	= \$ 12082.00	Income Test Result:	Need Info for Expense

Summary	Notice Reasons	Resource	MAGI/FPIL Test	SSB Individuals	Reasonable Compatibility	Change Password	Logout
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SSB Individuals ?

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Special Review Date:	Certification Period: 10/01/2017-09/30/2018	Review Due Date: 09/30/2018
Special Review Reason:		

Name	Relationship	Tax Status	Total SSB	Countable SSB
Test 3yearkid	Nephew	Tax Dependent	4200.00	4200.00
Test Infant	Niece	Tax Dependent	4416.00	4416.00
Test Diana	Niece	Tax Dependent	3466.00	3466.00
Total Countable SSB			12082.00	

Current User
Test User
(12) TIERS Project
44477777

My TERS Functions
Navigation History
Eligibility
Run Eligibility
Eligibility
Search
Expanded SPRA
SPRA
Service
Validation
Copy Changes
Case Summary
Eligibility Summary
Spousal/Dependent Allowance
CHIP Continued Enrollment
MEPD Run
Eligibility
MEPD Case Comments

SSB Sub-Budget
Individual SSB Sub-Budget Results

Case Name: Test, Uncle **Case #:** 1902289150 **Case Mode:** Change Action **Case Status:** Approved

EDG Monthly Status: Pend **EDG #:** 919808863 **Individual #:** 985726567
Client Name: Test, 3yearkid **Social Security #:** 445533221 **Age:** 3 Years and 9 Months
Benefit Month: 07/01/2018 **Certification Period:** 10/2017-9/2018

Required to File Determination
Total SSB Amount: \$ 4200.00

Is Total Earned Income	Greater Than	IRS Earned Income Threshold	Result
0.00	>	525.00	No

Is Total Unearned Income (Without SSB)	Greater Than	IRS Unearned Income Threshold	Result
75.00	>	87.50	No

IRS Base Amount Calculation
50% SSB Amount: \$ 2100.00

Is 50% SSB + Total Earned and Total Unearned	Greater Than	IRS Base amount	Result
2175.00	>	2083.00	Yes

Automation

TIERS updates are effective with Release 101.

Forms

Form H1042, Modified Adjusted Gross Income (MAGI) Worksheet: Medicaid and CHIP, is revised to include the steps needed to correctly calculate the countable SSBs when determining MAGI eligibility.

Effective Date

With the implementation of Release 101, staff is no longer required to submit a Policy Clearance Request (PCR).

Handbook

The Texas Works Handbook updates are scheduled for July 2018.

Training

The web-based training **R101-2 Counting Social Security Benefits for MAGI** details policy and procedure changes. A training broadcast will be sent with further details.